



Insurance Institute of Michigan

TESTIMONY OF PETER A. KUHNMUENCH
EXECUTIVE DIRECTOR
INSURANCE INSTITUTE OF MICHIGAN

BEFORE THE

JOINT MEETING OF THE SENATE FINANCE COMMITTEE
AND THE HOUSE TAX POLICY COMMITTEE

JUNE 1, 2005, 8:30 A.M.
SENATE HEARING ROOM, BOJI TOWER
LANSING, MICHIGAN

GOOD MORNING. MY NAME IS PETER KUHNMUENCH, AND I AM THE EXECUTIVE DIRECTOR OF THE INSURANCE INSTITUTE OF MICHIGAN. THE INSTITUTE IS A GOVERNMENT AFFAIRS AND PUBLIC INFORMATION ASSOCIATION, REPRESENTING 43 PROPERTY/CASUALTY INSURANCE COMPANIES AND ANOTHER 45 RELATED ORGANIZATIONS.

OUR MEMBERSHIP WRITES APPROXIMATELY 74% OF ALL AUTO POLICIES IN THIS STATE AND ROUGHLY TWO THIRDS OF THE HOME OWNERS POLICIES AS WELL. WE REPRESENT WORKERS COMPENSATION CARRIERS, WRITERS OF ALL COMMERCIAL LINES, MEDICAL MALPRACTICE CARRIERS, AND A WIDE DIVERSITY OF SPECIALTY LINE CARRIERS.

I APPRECIATE THE OPPORTUNITY TO PROVIDE SOME BRIEF TESTIMONY HERE TODAY AND I WANT THANK THE COMMITTEE CHAIRS AND THE MEMBERS OF THIS JOINT COMMITTEE FOR THE OPOPRTUNITY YOU HAVE PROVIDED OURSELVES AND THE PUBLIC TO ENGAGE YOU IN THIS VERY IMPORTANT DEBATE.

THIS PANEL HEARD EARLY ON IN THIS PROCESS FROM STATE TREASURER JAY RISING ON THE COMPONENTS OF THE GOVERNOR'S PLAN AND THE ADMINISTRATION'S JUSTIFICATION AND RATIONALE FOR THE PLAN'S STRUCTURE AND DESIGN.

WITHIN THAT PRESENTATION WAS AN ATTEMPT TO COMPARE THE TAXATION OF MICHIGAN-BASED INSURERS WITH THE TAXATION OF INSURERS IN OTHER STATES. I THINK YOU HAVE HEARD FROM MR. OLSON

AND MR. HENNING THAT ONE'S DEFINITION OF "FAIRNESS" REALLY DEPENDS ON WHAT STANDARD OF COMPARISON THAT YOU USE.

THE ONLY POINT I WOULD ADD, IS THAT WE DO NOT BELIEVE THAT A RELATIVELY LOWER TAX RATE IS A BAD THING. IN FACT, UNDER THE GOVERNOR'S PROPOSAL IT SEEMS THAT A LOWER TAX RATE FOR THE MANUFACTURING COMMUNITY IS IN FACT A GOOD THING, BUT FOR SOME REASON, THAT DOESN'T HOLD TRUE FOR ALL SECTORS OF THE BUSINESS COMMUNITY.

ADDITIONALLY, A SLIDE WAS PRESENTED THAT A COMPARATIVELY LOWER TAX RATE IN MICHIGAN HAD NOT TRANSLATED INTO LOWER AUTO RATES IN MICHIGAN.

I WOULD LIKE TO ADDRESS THAT POINT SPECIFICALLY TODAY.

ATTACHED TO MY WRITTEN TESTIMONY TODAY IS A COPY OF SLIDE NUMBER 35 FROM THE TREASURER'S PRESENTATION TO BOTH THE SENATE COMMITTEE ON FINANCE AND THE HOUSE TAXATION COMMITTEE. YOU MAY RECALL, THE SLIDE SUGGESTS THAT A LOWER COMPARATIVE TAX RATE IN MICHIGAN HAS NOT TRANSLATED INTO LOWER AUTO PREMIUMS. THE TREASURER ALSO TESTIFIED THAT INCREASING TAXES ON INSURANCE COMPANIES SOMEHOW WOULD NOT IMPACT RATES, INDICATING THAT COMPETITION IN THE MARKET PLACE WOULD ACT TO KEEP THOSE RATES DOWN.

FIRST AND FOREMOST, THE TREASURER'S COMPARISON OF AUTO RATES HAS BEEN DESCRIBED AS COMPARING APPLES TO ORANGES. PERSONALLY, I WOULD DESCRIBE THE COMPARISON AS MORE LIKE COMPARING A WATERMELON TO A GRAPE.

I HAVE ATTACHED A GRAPH DEPICTING RATES FOR THE 13 STATES WITH THE HIGHEST AUTO INSURANCE PREMIUMS IN 2002, WHICH IS THE MOST CURRENT INFORMATION AVAILABLE FROM THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS.

THE NEXT GRAPH DEPICTS THE MANDATED MINIMUM LEVEL OF MEDICAL BENEFITS REQUIRED FOR EACH OF THOSE STATES. I MUST CONFESS, THE GRAPH IS A LITTLE DECEPTIVE, BECAUSE OUR GRAPH PROGRAM COULD NOT DEPICT THE UNLIMITED MEDICAL BENEFIT LEVEL THAT IS REQUIRED BY MICHIGAN LAW.

THE POINT OF THESE CHARTS IS, THAT YOU CANNOT FAIRLY COMPARE AUTO PREMIUM RATES BY STATE WITHOUT TAKING INTO ACCOUNT WHAT BENEFIT LEVELS YOU ARE MANDATED, OR NOT MANDATED TO PURCHASE, AS PART OF THOSE PREMIUMS. I THINK THE TREASURER

KNOWS THIS, BUT SOMEHOW THAT CONCEPT ESCAPED HIS PRESENTATION AND HIS CHART.

WHAT I HAVE PROVIDED THE COMMITTEE IS A LISTING OF COMPARATIVE DATA FROM ALL 50 STATES, AND THE DISTRICT OF COLUMBIA. THIS INCLUDES AN AVERAGE PREMIUM FIGURE, THE SPECIFIC TYPES OF COVERAGES REQUIRED BY EACH STATE, AND THE MINIMUM DOLLAR LEVEL OF COVERAGE REQUIRED IN EACH STATE FOR BOTH BODILY INJURY LIABILITY AND PERSONAL INJURY PROTECTION.

OF NOTE IN THIS MATERIAL IS THAT PIP COVERAGE, WHICH IS MANDATORY IN NO-FAULT STATES SUCH AS MICHIGAN, IS OPTIONAL IN 35 OTHER STATES. THE FINAL SHEET IN YOUR MATERIAL PROVIDES AN ADDITIONAL COMPARISON OF THE SEVEN TRUE NO-FAULT STATES, INCLUDING ADDITIONAL DETAIL ON THE SPECIFIC MANDATED BENEFITS REQUIRED IN EACH OF THOSE STATES.

AGAIN, THE POINT IS THAT NOT ALL AUTO INSURERS PLAY ON A LEVEL COMPETITIVE PLAYING FIELD. BUT I'LL LET YOU DRAW YOUR OWN CONCLUSIONS FROM THIS MATERIAL.

NOW A FEW FINAL THOUGHTS.

I THINK IN A WAY, WE OWE THE GOVERNOR A BIG THANK YOU FOR STARTING THE DEBATE ON HER TAX PROPOSAL.

TWO THINGS HAVE BEEN MADE CLEAR TO ME IN ATTENDING NEARLY EVERY ONE OF THESE PUBLIC HEARINGS.

ONE IS THAT WE WILL NOT ATTRACT NEW JOBS TO MICHIGAN BY PITTING VARIOUS SECTORS OF THE BUSINESS COMMUNITY AGAINST EACH OTHER. NOR WILL THAT BE ACCOMPLISHED BY SHIFTING BUSINESS TAXES FROM ONE TAX PAYOR TO ANOTHER.

THE SECOND POINT IS, THAT MICHIGAN SUFFERS FROM EXCESSIVE PERSONAL PROPERTY TAXES. THAT WAS MADE CLEAR IN TESTIMONY FROM BOTH PROPONENTS AND OPOONENTS OF THE GOVERNORS TAX PLAN. THE GOVERNOR HERSELF, ACKNOWLEDGES THAT IN ATTEMPTING TO LIGHTEN THAT TAX BURDEN FOR MANUFACTURERS THROUGH A SBT CREDIT.

MANUFACTURING HAS SERVED THIS STATE WELL. THEY WOULD BE GREATLY ASSISTED BY AN ELIMINATION OF PERSONAL PROPERTY TAXES. BUT THAT CANNOT AND SHOULD NOT BE ACCOMPLISHED AT THE EXPENSE OF OTHER POTENTIAL JOB PROVIDERS.

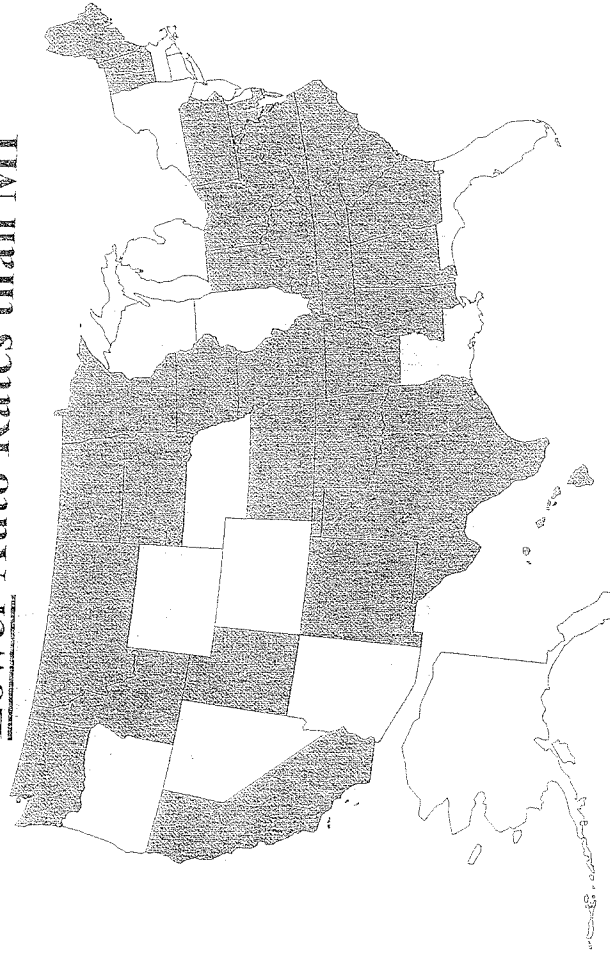
I HAVE INCLUDED ONE MORE PIECE OF INFORMATION IN MY HANDOUTS FOR THE COMMITTEES CONSIDERATION. IT IS A SOMEWHAT DATED STUDY BY THE BUREAU OF LABOR STATISTICS, FROM THE U.S. DEPARTMENT OF LABOR ON PROJECTIONS FOR FUTURE JOB GROWTH BY INDUSTRY AND BY OCCUPATION.

I WOULD SUBMIT THAT OUR EFFORTS TO PREPARE FOR THE NEXT EVOLUTION OF JOB CREATION SHOULD BE TARGETED TO THOSE INDUSTRIES WITH THE POTENTIAL FOR GROWTH. I HOPE THAT THIS MATERIAL ASSISTS YOU IN YOUR DELIBERATIONS IN THAT REGARD.

THAK YOU.

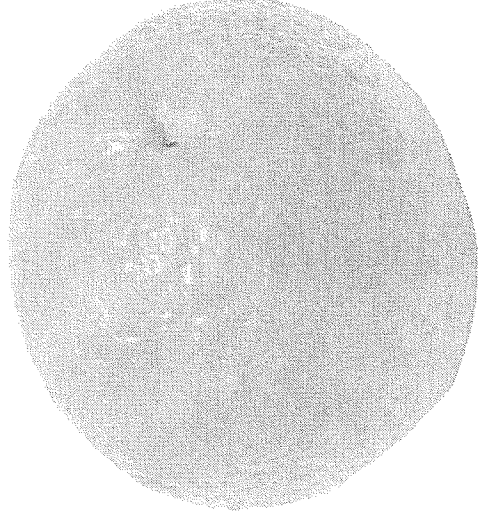
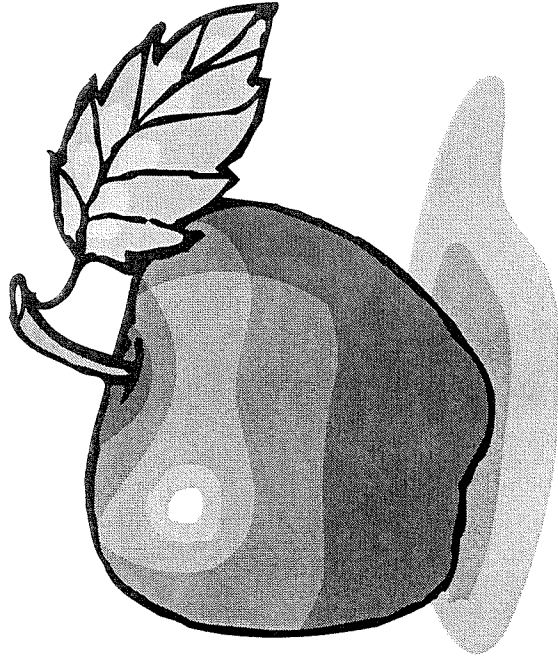
Higher Tax \neq Higher Rates

32 States with a Higher Premiums Tax have
Lower Auto Rates than MI

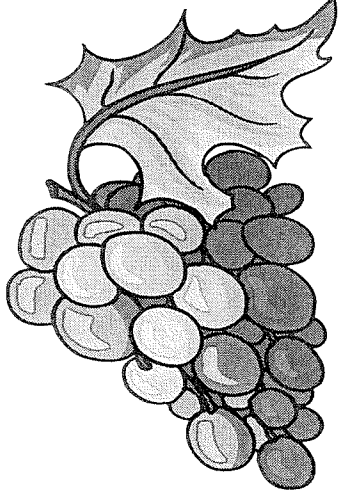
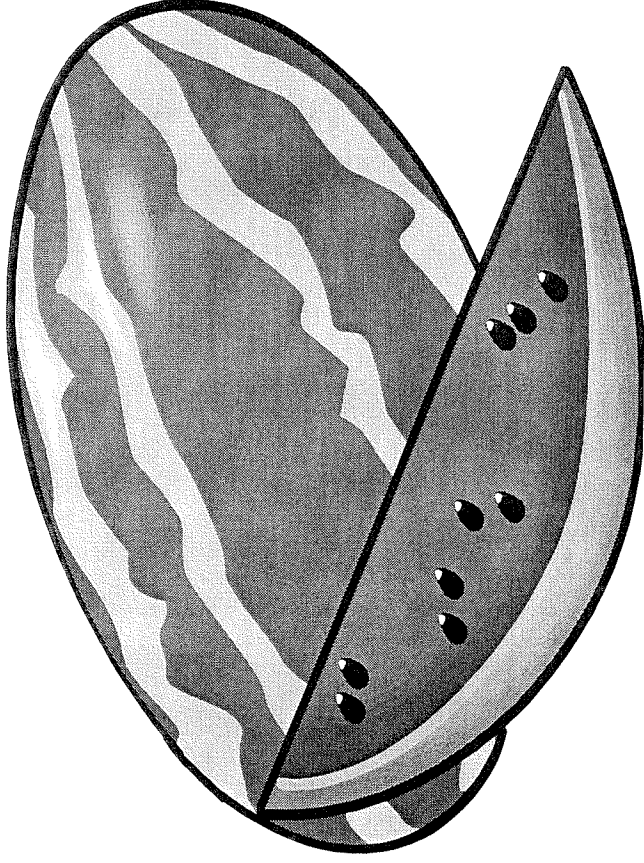


Sources: RIA Checkpoint, OFIS - State of Michigan, Insurance Information Institute

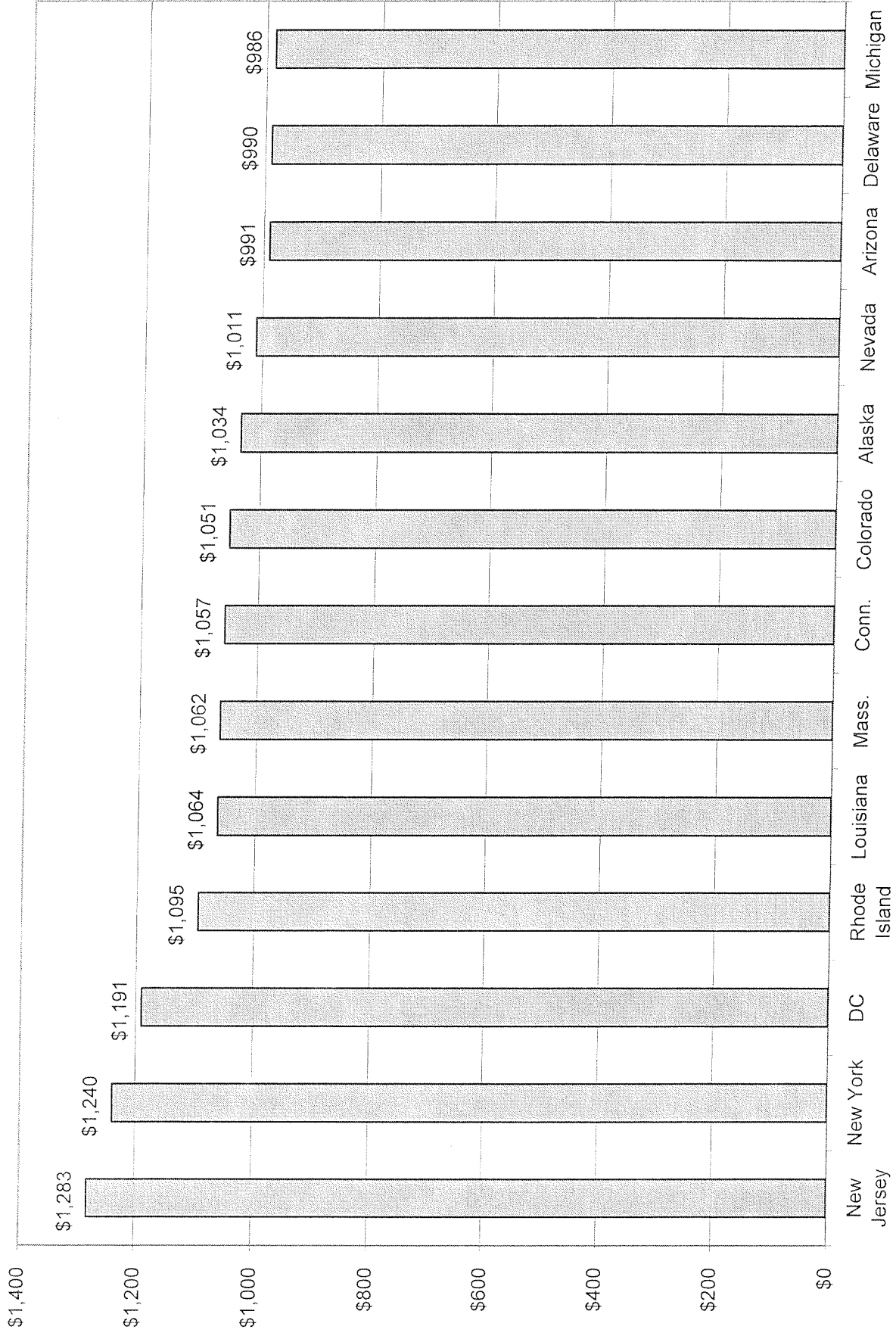
TREASURER RISING'S COMPARISON OF AUTO INSURANCE PREMIUMS



TREASURER RISING'S COMPARISON OF AUTO INSURANCE PREMIUMS



Average Auto Insurance Premiums 2002



Source: National Association of Insurance Commissioners

Medical Benefits In Top 13 States



Source: Insurance Institute of Michigan Research



Insurance Institute of Michigan

*No-Fault States

State	Average Premium	Insurance Required	BI Limits	PIP Limits
Alabama	\$756.51	BI, PD	20/40/10	Optional
Alaska	1,034.00	BI, PD	50/100/25	Optional
Arizona	991.66	BI, PD	15/30/10	Optional
Arkansas	806.27	BI, PD	25/50/25	Optional
California	880.47	BI, PD	15/30/5	Optional
Colorado	1,051.37	BI, PD	25/50/15	Optional
Connecticut	1,057.57	BI, PD, UM, UIM	20/40/10	Optional
Delaware	990.91	BI, PD, PIP	15/30/10	\$30,000
District of Columbia	1,191.87	BI, PD, UM	25/50/10	Optional
*Florida	931.15	PD, PIP	10/20/10	\$10,000
Georgia	883.35	BI, PD	25/50/25	optional
*Hawaii	840.00	BI, PD, PIP	20/40/10	\$10,000
Idaho	669.13	BI, PD	25/50/15	optional
Illinois	801.75	BI, PD, UM	20/40/15	optional
Indiana	741.54	BI, PD	25/50/10	optional
Iowa	638.56	BI, PD	20/40/15	optional
*Kansas	738.35	BI, PD, PIP, UM	25/50/10	\$4,500
*Kentucky	815.64	BI, PD, PIP	25/50/10	\$10,000
Louisiana	1,064.54	BI, PD	10/20/10	optional
Maine	671.25	BI, PD, UM, UIM	50/100/25	\$1,000
Maryland	910.05	BI, PD, PIP, UM	20/40/15	\$2,500
*Massachusetts	1,062.39	BI, PD, PIP, UM	20/40/5	\$8,000
*Michigan	986.71	PI, PD, PIP	20/40/10	unlimited
*Minnesota	885.84	BI, PD, PIP, UM, UIM	30/60/10	\$40,000
Mississippi	820.10	BI, PD	10/20/5	optional
Missouri	776.21	BI, PD, UM	25/50/10	optional
Montana	792.84	BI, PD	25/50/10	optional
Nebraska	712.79	BI, PD	25/50/25	optional
Nevada	1,011.20	BI, PD	15/30/10	optional
New Hampshire	778.64	Financial Resp., UM	25/50/25	optional
*New Jersey	1,283.87	BI, PD, PIP, UM	15/30/5	\$250,000
New Mexico	860.48	BI, PD	25/50/10	optional
*New York	\$1,240.24	BI, PD, PIP, UM	25/50/10	\$50,000

The **Insurance Institute of Michigan (IIM)** is a government affairs and public information association proud to represent more than 90 property/casualty insurance companies and related organizations operating in Michigan. IIM members write almost \$8 billion in annual premium, or approximately 54 percent of the state's property/casualty insurance. IIM's purpose is to serve the Michigan insurance industry and the insurance consumer as a central focal point for educational, media, legislative and public information on insurance issues.

State	Average Premium	Insurance Required	BI Limits	PIP Limits
North Carolina	697.57	BI, PD	30/60/25	Optional
*North Dakota	683.97	BI, PD, PIP UM	25/50/25	\$30,000
Ohio	713.67	BI, PD	12.5/25/75	Optional
Oklahoma	809.04	BI, PD	25/50/25	Optional
Oregon	765.36	BI, PD, PIP, UM	25/50/10	\$10,000
*Pennsylvania	871.77	BI,PD, Medical	15/30/5	\$5,000
Rhode Island	1,095.57	BI, PD, UM	25/50/25	optional
South Carolina	818.03	BI, PD,UM	15/30/10	optional
South Dakota	694.46	BI,PD, UM	25/50/25	optional
Tennessee	747.67	Financial Resp.	25/50/10	optional
Texas	881.74	BI, PD	20/40/15	optional
*Utah	806.18	BI,PD,PIP	25/50/15	\$3,000
Vermont	734.31	BI,PD,UM,UIM	25/50/10	optional
Virginia	712.69	BI,PD,UM	25/50/20	optional
Washington	879.11	BI, PD	25/50/10	optional
West Virginia	918.41	BI, PD, UM	20/40/10	optional
Wisconsin	671.39	Financial Resp.,UM	25/50/10	optional
Wyoming	744.50	BI & PD	25/50/20	optional
Countrywide	\$879.99			

Compulsory coverages:

BI - Bodily Injury Liability

PD - Property Damage Liability

UM - Uninsured Motorists

UIM - Underinsured Motorists

PIP- Personal Injury Protection (mandatory in no-fault states)

Financial Responsibility - insurance is not compulsory in this state.

The first two numbers refer to bodily injury liability limits and the third to property liability. For example, 20/40/10 means coverage up to \$40,000 for all persons injured in an accident, subject to a limit of \$20,000 for one individual and \$10,000 coverage for property damage.

California - low-cost policy limits for Los Angeles and San Francisco low income drivers is 10/30/3.

Florida - instead of policy limits, policyholders can satisfy the requirement with \$30,000 combined property damage liability and bodily injury liability.

Maine - in addition, policyholders must carry at least \$1,000 medical payments.

New Jersey - Basic policy (optional) limits are 10/10/5. Uninsured and underinsured not available.

New York - in addition, policyholders must have 50/100 for wrongful death coverage.

Rhode Island - instead of policy limits, policyholders can satisfy the requirement with \$75,000 combined single limit policy.

Tennessee - instead of policy limits, policyholders can satisfy the requirement with a \$60,000 single limit policy.

Utah - instead of policy limits, policyholders can satisfy the requirement with a \$65,000 combined single limit policy.

Comparison of Benefits in True No-Fault States

State	Average Premium	PIP Benefits	Wage Loss	Replacement Services	Funeral/Burial	Property Damages
Florida	\$931.15 (pays 80% of medically necessary expenses)	\$10,000	60% of loss wages	included	\$5,000	\$10,000
Hawaii	\$840.00	\$10,000	optional		optional	\$10,000
Kansas	\$738.35	\$4,500	\$900 per month for 1 year	\$25 per day	\$2,000	\$10,000
Kentucky	\$815.64	\$10,000	\$200 per week	included	\$1,000	\$10,000
Massachusetts	\$1,062.39	\$8,000	75% gross wages for 1 year	included	included	\$5,000
Michigan	\$986.71	unlimited	up to \$4,293 for 3 years	\$20 per day	\$1,750	\$1 million in state \$10,000 out state
Minnesota	\$885.84	\$40,000	85% of loss wages up to \$250 per week	included	\$2,000	\$10,000
New Jersey	\$1,283.87 includes \$250,000 for catastrophic injuries	\$15,000,	up to \$5,200 total	\$12 per day	\$1,000	\$5,000
New York	\$1,240.24	\$50,000 up to \$2,000 month for 3 years	80% of lost wages	\$25 per day	\$2,000	\$10,000
North Dakota	\$683.97	\$30,000	85% up to \$150 per week	\$15 per day	\$3,500	\$25,000
Pennsylvania	\$871.77 (may purchase extraordinary medical as optional coverage)	\$5,000	optional		optional	\$5,000
Utah	\$807.18	\$3,000	Lesser of \$250 per week or 85% of loss wages for 1 year	\$20 per day for 1 year	\$1,500	\$15,000

Source: Insurance Institute of Michigan

News

United States
Department
of Labor



Bureau of Labor Statistics

Washington, D.C. 20212

Internet: <http://www.bls.gov/emp>
Technical Information: (202) 691-5700
Media Contact: (202) 691-5902

USDL 04-148
For release: 10 A.M. EST
Wednesday, February 11, 2004

BLS RELEASES 2002-12 EMPLOYMENT PROJECTIONS

The Bureau of Labor Statistics (BLS), U.S. Department of Labor, today released projections on future job growth by industry and occupation and on the likely composition of the workforce pursuing those jobs.

The 10-year projections of economic growth, employment by industry and occupation, and labor force are widely used in career guidance, in planning education and training programs, and in studying long-range employment trends. Covering the 2002-12 decade, these projections reflect the 2000 Standard Occupational Classification (SOC) system and the 2002 North American Industry Classification System (NAICS).

Employment

Over the 2002-12 decade, total employment is projected to increase by 21.3 million jobs, or 15 percent. Over the previous decade (1992-2002), total employment grew by 20.7 million jobs but at a slightly faster rate, 17 percent. (The definition of employment used in these projections differs from the definitions used in other BLS programs. See table 1.)

Industry employment

- Employment growth will be concentrated in the service-providing sector of the economy. Education and health services and professional and business services represent the industry divisions with the strongest projected employment growth: projected to grow twice as fast as the overall economy. Information, leisure and hospitality, and transportation and warehousing are other service-providing industries that are projected to grow faster than average. (See table 1.)
- Construction is the only goods-producing sector in which employment is projected to grow. Manufacturing, however, is expected to decline by 1 percent, a much smaller decline than what occurred in the previous decade. Nonetheless, employment in goods-producing industries is expected to decrease from 16 percent to 14 percent of total employment. Apparel

manufacturing, textile mills, and computer and electronic product manufacturing are the goods-producing industries with the largest projected employment declines.

- The 10 fastest growing detailed industries, led by software publishers, are in the service-providing sector. (See table 3a.)

Occupational employment

- Professional and related occupations and service occupations—two groups at opposite ends of educational and earnings ranges—are projected to increase the fastest and to add the most jobs, accounting for more than half of total job growth over the 2002-12 decade. (See table 2.)
- Construction and extraction occupations are projected to grow at the same rate as the average for all occupations—15 percent.
- Office and administrative support occupations, production occupations, and farming, fishing, and forestry occupations are projected to grow much more slowly than average.
- Nine of the 10 fastest growing occupations are health or computer (information technology) occupations. (See table 3b.)
- The 10 occupations adding the most jobs employ a large number of workers and come from a wide range of occupational groups. (See table 3c.)

Education and training categories

- An associate or bachelor's degree is the most significant source of postsecondary education or training for 6 of the 10 fastest growing occupations. (See table 3b.)
- Short-term on-the-job training is the most significant source of postsecondary education or training for 6 of the 10 occupations with the largest job growth. (See table 3c.)

Labor force

- The civilian labor force is projected to increase by 17.4 million over the 2002-12 decade, reaching 162.3 million by 2012. This 12-percent increase is greater than the 11.3-percent increase over the previous decade, 1992-2002, when the labor force grew by 14.4 million. (See table 4.) Changes in the demographic composition of the labor force are expected because of changes both in the composition of the population and in the rates of labor force participation across demographic groups.
- The projected growth of the labor force will be affected by the aging of the baby-boom generation—persons born between 1946 and 1964. In 2012, baby-boomers will be 48 to 66 years old. The number of workers in this age group is expected to increase significantly over the 2002-12 decade. The labor force will continue to age, with the number of workers in the 55-and-older group projected to grow by 49.3 percent, 4 times the 12-percent growth projected

for the overall labor force. In 2012, youths—those between the ages of 16 and 24—will constitute 15 percent of the labor force, and prime-age workers—those between the ages of 25 and 54—will make up 66 percent of the labor force. The share of the 55-and-older age group will increase from 14.3 percent to 19.1 percent of the labor force.

- The labor force participation rates of women in nearly all age groups are projected to increase. The number of women in the labor force is projected to grow by 14.3 percent, faster than the 10-percent growth projected for men. As a result, women's share of the labor force is expected to increase by 1 percent, from 46.5 percent in 2002 to 47.5 percent by 2012. In contrast, men's share is projected to decline by 1 percent—from 53.5 percent to 52.5 percent—over the 2002-12 decade.
- By 2012, the Hispanic labor force is expected to reach 23.8 million, due to faster population growth resulting from a younger population, higher fertility rates, and increased immigration levels. Despite relatively slow growth, white non-Hispanics will remain the largest group, composing 66 percent of the labor force. Asians will continue to be the fastest growing of the four labor force groups.

Notes

More detailed information on the 2002-12 projections appears in five articles in the February 2004 issue of the *Monthly Labor Review*, published by the Bureau of Labor Statistics, U.S. Department of Labor. A graphic presentation of the highlights of the projections will appear in the forthcoming Winter 2003-04 *Occupational Outlook Quarterly*.

The *Monthly Labor Review* and *Occupational Outlook Quarterly* are sold by the U.S. Government Printing Office, Washington, D.C. 20402. The *Review* costs \$49 a year; single copies are \$15. The *Quarterly* costs \$15 a year; single copies are \$6. Make checks payable to the Superintendent of Documents.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone: 1-800-877-8339.

Table 1. Employment by major industry division, 1992, 2002, and projected 2012
(Numbers in thousands of jobs)

Industry division	Employment			Numeric change		Percent change		Percent distribution			Annual growth rate (percent)		
	1992	2002	2012	1992-2002	2002-12	1992-2002	2002-12	1992	2002	2012	1992-2002	2002-12	2002-12
Total ¹	123,325	144,014	165,319	20,689	21,305	16.8	14.8	100.0	100.0	100.0	1.6	1.6	1.4
Nonfarm wage and salary	109,526	131,063	152,690	21,537	21,627	19.7	16.5	88.8	91.0	92.4	1.8	1.5	
Goods-Producing, excluding agriculture	22,016	22,550	23,346	534	796	2.4	3.5	17.9	15.7	14.1	0.2	0.3	
Mining	610	512	451	-98	-61	-16.1	-11.8	0.5	0.4	0.3	-1.7	-1.3	
Construction	4,608	6,732	7,745	2,124	1,014	46.1	15.1	3.7	4.7	4.7	3.9	1.4	
Manufacturing	16,799	15,307	15,149	-1,492	-158	-8.9	-1.0	13.6	10.6	9.2	-0.9	-0.1	
Service-Providing	87,510	108,513	129,344	21,003	20,831	24.0	19.2	71.0	75.3	78.2	2.2	1.8	
Utilities	726	600	565	-126	-34	-17.4	-5.7	0.6	0.4	0.3	-1.9	-0.6	
Wholesale trade	5,110	5,641	6,279	531	638	10.4	11.3	4.1	3.9	3.8	1.0	1.1	
Retail trade	12,828	15,047	17,129	2,219	2,082	17.3	13.8	10.4	10.4	10.4	1.6	1.3	
Transportation and warehousing	3,462	4,205	5,120	744	914	21.5	17.7	2.8	2.9	3.1	2.0	2.0	
Information	2,641	3,420	4,052	779	632	29.5	18.5	2.1	2.4	2.5	2.6	1.7	
Financial activities	6,540	7,843	8,806	1,303	964	19.9	12.3	5.3	5.4	5.3	1.8	1.2	
Professional and business services	10,969	16,010	20,876	5,040	4,866	45.9	30.4	8.9	11.1	12.6	3.9	2.7	
Education and health services	11,891	16,184	21,329	4,293	5,145	36.1	31.8	9.6	11.2	12.9	3.1	2.8	
Leisure and hospitality	9,437	11,969	14,104	2,532	2,135	26.8	17.8	7.7	8.3	8.5	2.4	1.7	
Other services	5,120	7,065	7,065	985	960	19.2	15.7	4.2	4.2	4.3	1.8	1.5	
Federal government	3,111	2,767	2,779	-344	12	-11.1	0.4	2.5	1.9	1.7	-1.2	0.0	
State and local government	15,675	18,722	21,240	3,047	2,518	19.4	13.4	12.7	13.0	12.8	1.8	1.3	
Agriculture ²	2,639	2,245	1,905	-394	-340	-14.9	-15.1	2.1	1.6	1.2	-1.6	-1.6	
Nonagriculture self-employed and unpaid family workers	9,009	9,018	9,162	10	144	0.1	1.6	7.3	6.3	5.5	0.0	0.2	
Secondary wage and salary jobs in agricultural production, forestry, fishing, and private household industries ³	178	143	128	-35	-15	-19.8	-10.5	0.1	0.1	0.1	-2.2	-1.1	
Secondary jobs as a self-employed or unpaid family worker ⁴	1,973	1,545	1,434	-428	-111	-21.7	-7.2	1.6	1.1	0.9	-2.4	-0.7	

1. Employment data for wage and salary workers are from the BLS Current Employment Statistics (payroll) survey, which counts jobs, whereas self-employed, unpaid family workers, and agriculture, forestry, fishing, and hunting are from the Current Population Survey (household survey), which counts workers.

2. Includes agriculture, forestry, fishing, and hunting data from the Current Population Survey, except logging, which is from the Current Employment Survey and government wage and salary workers, which are excluded.

3. Workers who hold a secondary wage and salary job in agricultural production, forestry, fishing, and private household industries.

4. Wage and salary workers who hold a secondary job as a self-employed or unpaid family worker.

Table 2. Employment by major occupational group, 2002 and projected 2012
(Numbers in thousands of jobs)

Occupational group	Employment				Change	
	Number		Percent distribution		Number	Percent
	2002	2012	2002	2012		
Total, all occupations	144,014	165,319	100.0	100.0	21,305	14.8
Management occupations	10,056	11,277	7.0	6.8	1,221	12.1
Business and financial operations occupations	5,445	6,606	3.8	4.0	1,162	21.3
Professional and related occupations	27,687	34,147	19.2	20.7	6,459	23.3
Computer and mathematical occupations	3,018	4,069	2.1	2.5	1,051	34.8
Architecture and engineering occupations	2,587	2,809	1.8	1.7	222	8.6
Life, physical, and social science occupations	1,237	1,450	0.9	0.9	212	17.2
Community and social services occupations	2,190	2,764	1.5	1.7	574	26.2
Legal occupations	1,168	1,357	0.8	0.8	190	16.2
Education, training, and library occupations	8,530	10,639	5.9	6.4	2,109	24.7
Arts, design, entertainment, sports, and media occupations	2,376	2,769	1.7	1.7	393	16.5
Healthcare practitioners and technical occupations	6,580	8,288	4.6	5.0	1,708	26.0
Service occupations	26,569	31,905	18.5	19.3	5,336	20.1
Healthcare support occupations	3,310	4,452	2.3	2.7	1,143	34.5
Protective service occupations	3,116	3,885	2.2	2.4	769	24.7
Food preparation and serving related occupations	10,200	11,807	7.1	7.1	1,607	15.8
Building and grounds cleaning and maintenance occupations	5,485	6,386	3.8	3.9	901	16.4
Personal care and service occupations	4,458	5,375	3.1	3.3	917	20.6
Sales and related occupations	15,260	17,231	10.6	10.4	1,971	12.9
Office and administrative support occupations	23,851	25,464	16.6	15.4	1,613	6.8
Farming, fishing, and forestry occupations	1,072	1,107	0.7	0.7	35	3.3
Construction and extraction occupations	7,292	8,388	5.1	5.1	1,096	15.0
Installation, maintenance, and repair occupations	5,696	6,472	4.0	3.9	776	13.6
Production occupations	11,258	11,612	7.8	7.0	354	3.2
Transportation and material moving occupations	9,828	11,111	6.8	6.7	1,282	13.1

NOTE: Detail may not equal total or 100 percent due to rounding.

Table 3a. The 10 industries with the fastest wage and salary employment growth, 2002-12
(Numbers in thousands of jobs)

Industry	Employment		Change		Annual growth rate (percent)
	2002	2012	Number	Percent	
Software publishers	256.0	429.7	173.7	67.9	5.3
Management, scientific, and technical consulting services	731.8	1,137.4	405.6	55.4	4.5
Community care facilities for the elderly and residential care facilities, n.e.c.	695.3	1,077.6	382.3	55.0	4.5
Computer systems design and related services	1,162.7	1,797.7	635.0	54.6	4.5
Employment services	3,248.8	5,012.3	1,763.5	54.3	4.4
Individual, family, community, and vocational rehabilitation services	1,269.3	1,866.6	597.3	47.1	3.9
Ambulatory health care services except offices of health practitioners	1,443.6	2,113.4	669.8	46.4	3.9
Water, sewage, and other systems	48.5	71.0	22.5	46.4	3.9
Internet services, data processing, and other information services	528.8	773.1	244.3	46.2	3.9
Child day care services	734.2	1,050.3	316.1	43.1	3.6

NOTE: n.e.c. = not elsewhere classified.

Table 3b. The 10 fastest growing occupations, 2002-12
(Numbers in thousands of jobs)

Occupation	Employment		Change		Most significant source of postsecondary education or training ¹
	2002	2012	Number	Percent	
Medical assistants	365	579	215	59	Moderate-term on-the-job training
Network systems and data communications analysts	186	292	106	57	Bachelor's degree
Physician assistants	63	94	31	49	Bachelor's degree
Social and human service assistants	305	454	149	49	Moderate-term on-the-job training
Home health aides	580	859	279	48	Short-term on-the-job training
Medical records and health information technicians	147	216	69	47	Associate degree
Physical therapist aides	37	54	17	46	Short-term on-the-job training
Computer software engineers, applications	394	573	179	46	Bachelor's degree
Computer software engineers, systems software	281	409	128	45	Bachelor's degree
Physical therapist assistants	50	73	22	45	Associate degree

1. An occupation is placed into one of 11 categories that best describes the education or training needed by most workers to become fully qualified. For more information about the categories, see Chapter II, "Selected Occupational Data, 2000 and Projected 2010" in Occupational Projections and Training Data, Bulletin 2542 (Bureau of Labor Statistics, Jan. 2002), pp. 18-19, or in Bulletin 2572, the forthcoming 2004-05 edition of this publication.

Table 3c. The 10 occupations with the largest job growth, 2002-12
(Numbers in thousands of jobs)

Occupation	Employment		Change		Most significant source of postsecondary education or training ¹
	2002	2012	Number	Percent	
Registered nurses	2,284	2,908	623	27	Associate degree
Postsecondary teachers	1,581	2,184	603	38	Doctoral degree
Retail salespersons	4,076	4,672	596	15	Short-term on-the-job training
Customer service representatives	1,894	2,354	460	24	Moderate-term on-the-job training
Combined food preparation and serving workers, including fast food	1,990	2,444	454	23	Short-term on-the-job training
Cashiers, except gaming	3,432	3,886	454	13	Short-term on-the-job training
Janitors and cleaners, except maids and housekeeping cleaners	2,267	2,681	414	18	Short-term on-the-job training
General and operations managers	2,049	2,425	376	18	Bachelor's or higher degree, plus work experience
Waiters and waitresses	2,097	2,464	367	18	Short-term on-the-job training
Nursing aides, orderlies, and attendants	1,375	1,718	343	25	Short-term on-the-job training

1. An occupation is placed into one of 11 categories that best describes the education or training needed by most workers to become fully qualified. For more information about the categories, see Chapter II, "Selected Occupational Data, 2000 and Projected 2010" in Occupational Projections and Training Data, Bulletin 2542 (Bureau of Labor Statistics, January 2002), pp. 18-19, or in Bulletin 2572, the forthcoming 2004-05 edition of this publication.

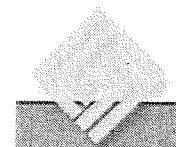
Table 4. Civilian labor force by age, sex, race, and Hispanic origin, 1982, 1992, 2002, and projected 2012
(Numbers in thousands)

Group	Level			Numeric change			Percent change			Percent distribution			Annual growth rate (percent)		
	1982	1992	2002	1982	1992	2002	1982-92	1992-2002	2002-12	1982	1992	2002	1982-92	1992-2002	2002-12
				1990 census weights	2000 census weights	2012	1982-92	1992-2002	2002-12	1982	1992	2002	1982-92	1992-2002	2002-12
Total, 16 years and older	110,204	128,105	142,534	142,534	144,863	162,269	17,901	14,429	17,406	16.2	11.3	12.0	100.0	1.5	1.1
16 to 24	24,606	21,616	22,425	22,425	22,366	24,377	-2,990	809	2,011	-12.2	3.7	9.0	22.3	-1.3	0.4
25 to 54	70,506	91,429	99,865	99,865	101,720	106,866	20,923	8,436	5,146	29.7	9.2	5.1	64.0	2.6	0.9
55 and older	15,092	15,060	20,244	20,244	20,777	31,026	-32	5,184	10,249	-0.2	34.4	49.3	13.7	0.0	3.0
Men	62,450	69,964	76,052	76,052	77,500	85,252	7,514	6,088	7,751	12.0	8.7	10.0	56.7	1.1	0.8
Women	47,754	58,141	66,481	66,481	67,363	77,017	10,387	8,340	9,654	21.8	14.3	14.3	43.3	2.0	1.3
One race															
White	96,143	108,837	118,569	118,569	120,150	130,358	12,694	9,732	10,208	13.2	8.9	8.5	87.2	1.2	0.9
Black or African American	11,331	14,102	16,834	16,834	16,564	19,765	2,831	2,672	3,201	25.0	18.9	19.3	10.3	12.2	1.8
Asian	2,730	5,106	7,130	7,130	5,949	8,971	2,376	2,024	3,022	87.0	39.6	50.8	2.5	6.5	3.4
All other groups ¹	n/a	n/a	n/a	n/a	2,200	3,175	n/a	n/a	975	n/a	n/a	44.3	n/a	n/a	2.0
Hispanic or Latino	6,734	11,338	16,200	16,200	17,942	23,785	4,604	4,862	5,843	68.4	42.9	32.6	6.1	5.3	2.9
Other than Hispanic origin	103,470	116,767	126,334	126,334	126,921	138,484	13,297	9,567	11,562	12.9	8.2	9.1	93.9	1.2	0.8
White (only) non-Hispanic	89,630	98,724	103,360	103,360	103,348	106,237	9,094	4,636	2,889	10.1	4.7	2.8	81.3	1.0	0.5

1. The "All other" group includes those reporting the race categories of (1a) American Indian and Alaska Native or (1b) Native Hawaiian and Other Pacific Islanders, and (2) those reporting two or more races. Data for 1982 and 1992 represents the "Asian & other" race category with 1990 census weights. Data for 2002 and 2012 represents the "Asian only" race category with 2000 census weights. The historical data for 2002 has been computed for "All other groups".

News

Bureau of Labor Statistics

United States
Department of Labor
Washington, D.C. 20212[BLS Home](#) | [Programs & Surveys](#) | [Get Detailed Statistics](#) | [Glossary](#) | [What's New](#) | [Find It! In](#)

DOL

[EMP Home](#)[OTHER AVAILABLE ECONOMIC NEWS RELEASES](#)**Table 1. Employment by major industry division, 1992, 2002, and**Table 1. Employment by major industry division, 1992, 2002, and projected 2012
(Numbers in thousands of jobs)

Industry division	Employment			Numeric change		Perc chan
	1992	2002	2012	1992 to 2002	2002 to 2012	1992 to 2002
Total(1)	123,325	144,014	165,319	20,689	21,305	16.8
Nonfarm wage and salary	109,526	131,063	152,690	21,537	21,627	19.7
Goods-Producing, excluding						
agriculture	22,016	22,550	23,346	534	796	2.4
Mining	610	512	451	-98	-61	-16.1
Construction	4,608	6,732	7,745	2,124	1,014	46.1
Manufacturing	16,799	15,307	15,149	-1,492	-158	-8.9
Service-Providing	87,510	108,513	129,344	21,003	20,831	24.0
Utilities	726	600	565	-126	-34	-17.4
Wholesale trade	5,110	5,641	6,279	531	638	10.4
Retail trade	12,828	15,047	17,129	2,219	2,082	17.3
Transportation and warehousing	3,462	4,205	5,120	744	914	21.5
Information	2,641	3,420	4,052	779	632	29.5
Financial activities	6,540	7,843	8,806	1,303	964	19.9
Professional and business services	10,969	16,010	20,876	5,040	4,866	45.9
Education and health services	11,891	16,184	21,329	4,293	5,145	36.1
Leisure and hospitality	9,437	11,969	14,104	2,532	2,135	26.8
Other services	5,120	6,105	7,065	985	960	19.2
Federal government	3,111	2,767	2,779	-344	12	-11.1
State and local government	15,675	18,722	21,240	3,047	2,518	19.4
Agriculture(2)	2,639	2,245	1,905	-394	-340	-14.9
Nonagriculture self-employed and unpaid family workers	9,009	9,018	9,162	10	144	0.1
Secondary wage and salary jobs in agricultural production, forestry, fishing, and private household industries(3)	178	143	128	-35	-15	-19.8
Secondary jobs as a self-employed or unpaid family worker(4)	1,973	1,545	1,434	-428	-111	-21.7

1. Employment data for wage and salary workers are from the BLS Current Employment counts jobs, whereas self-employed, unpaid family workers, and agriculture, forestry, and fishing are from the Current Population Survey (household survey), which counts workers.
2. Includes agriculture, forestry, fishing, and hunting data from the Current Population Survey and government wage and salary workers, which are from the Current Employment Survey.
3. Workers who hold a secondary wage and salary job in agricultural production, for example, as a farm laborer.
4. Wage and salary workers who hold a secondary job as a self-employed or unpaid family worker.

Table of Contents

Last Modified Date: February 11, 2004

 [Back to Top](#)

www.dol.gov

[Frequently Asked Questions](#) | [Freedom of Information Act](#) | [Customer Survey](#)
[Privacy & Security Statement](#) | [Linking to Our Site](#) | [Accessibility](#)

U.S. Bureau of Labor Statistics
Office of Occupational Statistics and Employment Projections
Suite 2135
2 Massachusetts Avenue, NE
Washington, DC 20212-0001

URL: <http://www.bls.gov/EMP>
Phone: (202) 691-5700
Fax: (202) 691-5745

Do you have a question about Employment Projections?
Technical (web) questions: webmaster@bls.gov
Other comments: feedback@bls.gov